



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of
**AMERICAN FINANCIAL SECURITY
LIFE INSURANCE COMPANY**
An Authorized Insurer.

No. G 2004 - 06

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) ORDER REVOKING
CERTIFICATE OF AUTHORITY NO. 1331

To: William R. Hobbs, Special Deputy Rehabilitator
323 West 8th Street, 202 Lucas Place
Kansas City, Missouri 64105

IT IS ORDERED and you are hereby notified that Certificate of Authority No. 1331 issued to American Financial Security Life Insurance Company (AFSLIC) to act as an insurer is hereby revoked pursuant to RCW 48.05.130, 48.05.140, and 48.05.150. This Order is effective immediately.

THIS ORDER IS BASED ON THE FOLLOWING:

The Insurance Commissioner of the State of Washington finds that there presently exist conditions precluding AFSLIC from being eligible to hold a Certificate of Authority authorizing it to transact business in this state. Specifically, AFSLIC no longer meets the minimum financial requirements of RCW 48.05.340 to transact insurance in this state. AFSLIC filed its annual statement as of December 31, 2003, reporting combined capital and surplus of \$1,979,685, which is less than the required minimum of \$4,800,000.

AFSLIC was suspended by Commissioner's Order G 9301 on January 20, 1993, based on its placement into rehabilitation by the State of Missouri Department of Insurance. AFSLIC remains in rehabilitation in Missouri. AFSLIC has been continuously suspended from doing business in Washington since the entry of Order G 93-1.

Commissioner's Order G 2003-17 was entered on March 24, 2003, suspending the certificate of authority of AFSLIC and requiring AFSLIC to file a plan for obtaining required minimum capital and surplus. That plan has not been filed, which constitutes a violation of RCW 48.05.140.

The Insurance Commissioner of the State of Washington finds the sale, solicitation, or issuance of any new policies by AFSLIC would be hazardous to its policyholders, contractholders, creditors, and the public of this state.

This order does not relieve AFSLIC from any pending or accrued reporting, filing, or fee/tax payment required by Title 48 RCW.

Chapters 48.04 and 34.05 RCW provide AFSLIC the right to demand a hearing on this order.

ENTERED at Olympia, Washington this 24th day of March, 2004.

A handwritten signature in black ink, appearing to read "Michael G. Watson".

Michael G. Watson
Chief Deputy Insurance Commissioner